Figures given in confidence, which therefore cannot be revealed, show that other book clubs have done as well or better in 1947 and 1948. Totalling some of these figures we find a combined gross sale of $10,000,000 produced a net profit before taxes in excess of $2,500,000.

Foreign Sales. Between world wars, American book publishers developed a large foreign market for American books. As World War II drew to a close a number of publishers combined to form the United States International Book Association, a cooperative effort to fill with American books the void left abroad by the war. Unfortunately, the fine ideals of U.S.I.B.A. were not matched by equally close attention to management. As expenses grew out of all proportion, a number of publishers, who had advanced the necessary capital, became dissatisfied and the organization collapsed. At the same time a growing shortage of dollars around the world seriously affected the ability of foreign purchasers to pay for American books. The situation was further complicated by restrictions set up by foreign exchange control authorities to the point that today it is extremely difficult to secure dollar payment from most countries of the world for bulk shipments of trade books.

Foreign trade committees of the various publishers' associations have formed a joint foreign trade committee which is currently negotiating for the industry with the Economic Cooperation Administration to arrange for the securing of dollars for books shipped abroad in accordance with provisions of the E.C.A. Act. E.C.A. is seeking to make available funds intended for information media under the general guarantee fund provisions of the E.C.A. Shipments of books as compared with bulk orders of wheat, machinery, etc. of course are small and yet the documentation is just as involved.

For many years Henry M. Snyder & Co has acted as export representative for American book publishers and Snyder's services have been used by approximately one hundred leading American publishing houses. Business was built up by regular personal calls by members of the Snyder organization on the book trade in Australia, New Zealand, the Middle East, Far East, Central and Latin America, and Africa, as

well as overseas territories of the United States. Snyder's organization has built up a mailing list of book dealers abroad to whom it sends catalogs of various publishers and its own classified catalog containing bi-monthly announcements of forthcoming books of each publisher with prices, publication dates, descriptions, and so forth several weeks in advance of publication. In addition, Snyder sends out special sales letters, circulars, classified lists and so forth. The Snyder organization offers the advantage of convenience to book buyers abroad who send their orders for books of various publishers direct to Snyder. Although Snyder does not guarantee credit he advises the publishers concerning the credit standing of the buyers abroad. Orders are then forwarded to the publishers who usually ship direct to the foreign customer, a duplicate invoice going to Snyder. Snyder then groups these invoices at the end of the month and sends one bill to each of the foreign book outlets who, in turn, remit to Snyder in a lump sum and he pays the various publishers the amount due them after deducting his commission which is eleven per cent of the net price. The average discount granted foreign buyers by the publishers is forty per cent. It is interesting to note that, due largely to dollar shortages abroad, Snyder's gross business for 1948 was about thirty-five per cent under 1947.

A former partner of the Snyder organization, William Hall, has been traveling in Europe for approximately three years acting as foreign sales representative for over eighty American book publishers. Orders secured by Mr. Hall go directly to the individual publisher. Ben Russak, who formerly was foreign sales representative for U.S.I.B.A., after the demise of that organization became European sales representative for a group of six publishers, later expanded to include ten. Foreign markets are developed, by far the most important being Canada and the British Empire, and many American publishers have affiliates or accredited agents in Canada and England. Income from other foreign countries usually comes from the sale of various rights.

As a result of the war, the important German book industry, which previously had produced many of the world's finest technical and medical books, was knocked out. At the same time the British export book trade was severely handicapped

by lack of paper. Many publishers hoped that the American books would fill this gap. American publishers have probably shown more cooperation in their attempts to secure a foreign market for American books than they have in almost any other aspect of the business. A joint committee of the three leading book publishing organizations, with the approval of several outstanding educators, prepared in May 1948 a booklet, "Books in World Rehabilitation." It was issued by the American Book Publishers Council as a memorandum for members of the Congress of the United States, the Department of State, the Department of the Army, and the Department of Commerce. The purpose of this booklet was "to supply a statement of facts regarding the place of American books in world rehabilitation." It was pointed out, among other things, that books are tools of reconstruction and are desperately needed abroad; that books reflect the culture and ideals of our people and are essential to make an adequate picture of American democracy available to all countries; that without books civilization as the world knows it must cease to exist, as only books can record in imperishable form the knowledge future generations must utilize, not only to progress but even to maintain their technological and cultural inheritance. It was shown that before the war Germany was aware that books were an ideal instrument for ideological and commercial penetration with the result that for great sections of the world German represented a second language of education and technology. It was also pointed out that the phrase "trade follows the book" originated in England and that Great Britain has effectively seen that the English language has a fair competitive chance in the postwar world. It was stated "statistical data furnished by our government clearly reveals that between two wars less than three per cent of the total book production of the United States was shipped abroad while British figures indicate that in the same period Great Britain exported thirty per cent of her book production" but that England alone is not able to fill the void created by the war. It was pointed out that in the zones of occupation in Germany the Russians are supplying eight books per pupil as compared to our supplying one and a half books per pupil, and that to equip properly overseas libraries of the United States Information Service, which are very inadequate, 600,000 vol-

umes would be required costing $3,000,000. The report makes several recommendations and contains statistics on book exports to various countries abroad.

It is hoped that the UNESCO plan for purchases of book coupons, which may be exchanged through UNESCO, will permit a greater exchange of information media between various countries. This is supplemented by the $10,000,000 provided by the E.C.A. to pay publishers for "cost"—no profit can be included—for distribution of books and other information media in Germany and Austria. The book coupon scheme of UNESCO has been established on an experimental basis until the end of 1949. Participating countries have recommended that the UNESCO Book Coupon Scheme be extended through 1950.

Since the beginning of 1948, according to Publishers' Weekly issue of January 1, 1949, there has been a noticeable decrease in books exported from the United States to foreign markets. "By the end of September 1948 roughly $3,000,000 fewer American books were sold in foreign countries than last year, and by the end of the year book exports will probably show almost a twenty per cent decrease from last year's record export of $24,294,851." The Publishers' Weekly figures are based on reports issued by the United States Department of Commerce. According to this same source[22] 1947 showed a 26 per cent rise over the 1946 book export total of 19,406,101 and a 103 per cent rise over the 1945 total, 12,035,736. Publishers' Weekly points out that the $19,000,000 recorded for 1946 represents less than seven per cent of the total sales volume of American books published in that year.

Under England's austerity program the British book trade has succeeded in rapidly building up British book exports. According to an article on the British book trade (Publishers' Weekly issue of February 12, 1949) the British Publishers' Association was informed at the beginning of 1948 by the Board of Trade that a new export target of 12,000,000 pounds had been set for book publishers. Total book production in the British Isles in 1948 came to 14,686 which almost equalled the 1939 record figure of 14,904 titles, surpassing it in total number of new books which are 10,762 new titles in 1948 as compared to 10,411 in 1939. In comparison, the American

22. Publishers' Weekly, April 4, 1948.

book production figures in 1948 were 9,897 new books and new editions of which 7,807 were new books.

Book Trade Associations. The first national publishers' association, established in 1900, called the American Publishers' Association, was disbanded after the 1914 decision supporting R. H. Macy & Co. in their price-cutting suit. In 1920 a second national association, entitled the National Association of Book Publishers, was formed for the purpose of acting on the then-existing printing and paper crisis. Its principal activities related to credit supervision and it was responsible for certain promotion and book trade research, and perhaps its most notable achievement was sponsoring the "Economic Survey of the Book Industry - 1930-1931" conducted by O. H. Cheney and Pelham Barr. This Association was reorganized in 1937, changing its name to the Book Publishers' Bureau and confining its activities almost entirely to credit supervision and furnishing some legislative trade information. In 1945 another reorganization took place and the present American Book Publishers' Council emerged. The latter's program was broadened to include a program of general promotion and research, and the credit bureau aspects were continued. It is today the most important association for trade book publishers that has existed.

One of the most notable examples of effective publisher cooperation was demonstrated by the Council on Books in Wartime, created during World War II by American book publishers. Its motto was, "Books are Weapons in the War of Ideas." Membership was made up of publishers, booksellers, librarians, writers, and others interested in implementing this slogan. The council hit its full stride in 1943. There is not time or space in this treatise to make more than passing reference to the outstanding job done by the Council during the war[23] A thorough, well-written, inclusive, and authentic presentation is contained in a thesis entitled "American Book Publishing for World War II" written in April 1948 by S. Spencer Scott, Jr. for his senior thesis at Princeton University. One of the Council's most notable achievements was the production, during 1944 alone, of

23. A History of the Council on Books in Wartime was issued by the Council in 1946, distributed by R. R. Bowker Co.

35,000,000 books for the Army and Navy at a total cost to the armed services of only about $1,800,000. By September, 1946 a total of 119,904,263 books were produced at an average cost of 5.9 cents per copy, which gives an idea of the tremendous reductions in costs brought about by this program. The method of producing these books was similar to twenty-five cent reprint books. The publishers had a completely assured market of many thousand copies of each title produced which partially explains how they were able to produce these books at such a low cost. In addition, they had no sales promotion or advertising expenses to speak of; overhead was very low as it was spread over so many copies; manufacturing costs were at a minimum; cost of paper was controlled; "perfect" binding or binding by use of staples was used; and royalties were established at one cent a copy.

Remaindering. One of the greatest problems facing trade book publishers has been how to dispose of unsold copies of regular editions. When it is no longer economical to carry in inventory a title because of handling and storing charges accruing, a publisher will try to make a "special sale" to a "remainder house" rather than "pulp" the books. The amount paid the publisher by the remainder house is based on the number of remainders on hand and the demand. Remainder houses usually dispose of the books they acquire through such channels as bargain book stores, department stores, drug stores, stationery stores and, unfortunately, sometimes through regular book stores. Remainder books are usually retailed at one-half or less the original fixed price and if there are many remainders on the market they of course compete directly with original books and hard-bound reprints.

No Monopolies. Some critics have raised the cry of "Monopoly!" when they have seen certain large publishing houses become fully integrated. For example, Doubleday, in addition to its publishing activities operates two large and important manufacturing plants. It also controls many book clubs and several book stores as well as various reprint and mail order subsidiaries. These critics seem to overlook the fact that Doubleday has hundreds of competitors, many of whom